Dear Damian

Thank you for your time in Committee this week. This letter combines follow-up questions on your evidence on 26 June, along with questions on the Department’s Supplementary and Main Estimates.

**Spending on schools**

1. The 2019-20 Main Estimate memorandum shows that the average amount in the schools budget spent per pupil on 5-16 year olds has risen only marginally in nominal terms, from £4,619 in 2017-18 to £4,630 per pupil in 2018-19, remaining below the per pupil rate of £4,636 in 2016-17.¹

   a. Does DfE accept that, despite overall cash increases in spending and schools, this means that real terms average funding per 5-16 year old pupil has fallen in real terms in 2017-18 and 2018-19, compared to 2016-17?
   b. How does this tie in with previous commitments to protect schools funding?
   c. What is DfE doing to address this in 2019-20?

2. An extra £400 million of funding for schools maintenance and facilities was announced in the last Budget and added in the Supplementary Estimate for 2018-19.

   a. How was this distributed?
   b. What limitations were placed on its usage by schools?
   c. Have schools been given discretion to carry forward any of this funding into 2019-20 and beyond?
   d. Does DfE intend to repeat this additional funding in 2019-20 in a Supplementary Estimate?

3. HM Treasury has provided DfE with £645 million of extra funding for teachers' pension costs in 2019-20. However, we understand that the full extra cost to employers of increased contribution rates in 2019-20 is now estimated at £857 million.

   a. Because the balance has to come from existing DfE budgets, will this lead to any reductions in other funding for schools?
   b. If not, from which budget are the savings within DfE’s budget to be found?

¹ section 4.1, page 16 of DfE’s 2019-20 Main Estimate memorandum
4. At the session on 26 June you also re-affirmed the government’s past commitments to increase per pupil funding in 2019-20. As we indicated during the session, the figures provided in paragraph 4.1 of the Main Estimate memorandum, which you acknowledged are there at our request, suggest that over the last four years per pupil funding has been broadly static. However, you suggested that these numbers do not represent the complete picture and exclude certain funding which forms part of previous commitments. As the purpose of providing this information in the memorandum routinely was to enable us to assess the Government’s adherence to past commitments made, we would be grateful if you could provide revised per pupil figures which include all of the spending covered by the commitments made in the past and demonstrate either that commitments have been met or explain why they have not.

Sanitary products

5. The Chancellor’s spring statement 2019 announced that the government would “fund the provision of free sanitary products in secondary schools and colleges in England from the next school year”.

a. How will schools receive their funding for this measure?
b. How will funding levels for each school be determined?
c. Will free sanitary products be provided to all school students who need them, or just on request?
d. How much will be provided in the school year 2019/20, and how much will this cost in the financial year 2019-20?
e. Is the Government committed to continuing funding this arrangement throughout the next Spending Review?

Funding movements

6. DfE surrendered £80 million to the Treasury in its 2018-19 Supplementary Estimate and is carrying forward a further £75 million of its Resource DEL into future years under the Budget Exchange scheme. But at the same time, in 2018-19, £65 million was transferred from Capital into Resource DEL, a direction of movement not normally permitted by the Treasury.

a. What was the rationale for these movements?
b. Which budgets were affected?
c. Why was an exceptional movement from capital to resource permitted in the context of DfE forecasting resource underspends?

Student loan impairment

7. DfE’s Supplementary Estimate for 2018-19 included an additional £11.734 billion to cover downward revisions to the estimated value of the student loan book.

a. How much of this was estimated to be due to the policy changes—increases to the repayment threshold and cap on fees—and how much to revised macroeconomic forecasts and/or methodology changes?
b. Can the DfE give an update on the proposed timescale for changes to the scoring of student loans, following the ONS decision in December to change the way student loans are scored in the National Accounts?
Further education

8. At the session on 26 June, you indicated that the figures the committee quoted for further education funding (£4,843 million resource in 2019-20, compared to £5,013 million resource in 2018-19; and £112 million capital in 2019-20 compared to £186 million capital in 2018-19), taken from page 13 of the 2019-20 Main Estimate memorandum, do not represent the entirety of financial support by DfE for further education in these years.

   a. Could you supply a table which does show the total amount of funding which DfE has provided/is providing for Further Education in 2019-20 and the previous four years, and comment on the trends which this shows?

Education and Skills Funding Agency

9. DfE’s capital budget for the Education and Skills Funding Agency is set to decrease by £159.1 million in 2019-20 compared to 2018-19. Note 9 of section 2.1 of the Main Estimate memorandum says this primarily driven by the closure of the Restructuring facility and Exceptional Financial support programmes.

   a. Can you explain why this programme is ending and what it sought to achieve?
   b. What alternative provision, if any, is available?

We would be grateful for a reply on each point no later than Monday 15 July 2019.

Yours sincerely,

[Signature]

Rt Hon Robert Halfon MP
Chair of the Education Committee